



# Department of Justice

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## **JUSTICE DEPARTMENT CLOSES INVESTIGATION INTO THE WAY AC NIELSEN CO. CONTRACTS ITS SERVICES FOR TRACKING RETAIL SALES**

WASHINGTON, D.C. -- The Department of Justice said today that it will close its investigation into the way AC Nielsen Co. contracts its services for tracking retail sales because the company has reached an agreement with the European Commission that will alleviate any anticompetitive concerns.

Retail sales tracking service providers obtain data, often collected by scanning the bar code on products, to analyze how and when products are sold in retail stores. They sell analyses of this data to product manufacturers which find this type of information useful for promotional and marketing plans.

The Department's Antitrust Division had been investigating whether Nielsen, in contracting with multinational customers, illegally bundled or tied the terms of contracts in one country with those in other countries. For example, the Division looked at whether Nielsen offered customers more favorable terms in countries where Nielsen had market power only if those customers also used Nielsen in countries where Nielsen faced significant competition. Although these contracting practices occurred mostly abroad, they may have had an adverse effect on U.S. export commerce by preventing exports by U.S. tracking companies.

This type of conduct also was the subject of an antitrust investigation by competition authorities in Europe.

"Most of the conduct occurred in Europe and had its greatest impact there," said Joel Klein, Acting Assistant Attorney General in charge of the Department's Antitrust Division.

"When it became clear to us that the European Commission had a firm intention to act, we decided to let our colleagues at the Commission take the lead."

Nielsen, one of the largest sellers of retail sales tracking services of consumer packaged goods, formally committed to the European Commission that it will not tie or link the terms of its contracts with customers in one country to the terms of contracts for similar services in other countries.

The Department's Antitrust Division and the European Commission cooperated extensively throughout the course of their investigations, with frequent contact between the investigative staffs and the sharing of documents and information with the consent of the parties who provided them.

"This is an excellent example of cooperative antitrust enforcement that has led to effective and efficient resolution of conduct that is international in scope," said Klein. "As the results show, this has been a highly successful process and we are very pleased by the way it was carried out."

The Department and the Commission have cooperated on a number of investigations and will continue to do so in the future.

Because of the formal commitments, called undertakings, that Nielsen gave to the European Commission, the Department has concluded that the practices it has been investigating will not continue, and thus is closing its investigation.

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